

I think that says a lot about our very different priorities in Congress. The House majority has pushed to slash spending by crippling agencies that middle-class families depend on for basic protections, while Democrats are here trying to reduce the deficit responsibly by ending subsidies to the big oil companies that do not need them.

I urge our colleagues to put taxpayers in the middle class ahead of Big Oil, to end those wasteful giveaways to oil companies, and to use that money to pay down the deficit in a responsible way.

I thank Senators MENENDEZ, MCCASKILL, TESTER, and BROWN for their great work on this issue.

Once again, I support the Close Big Oil Tax Loopholes Act. I am going to keep fighting to end the oil and gas speculation that is hurting so many families in my home State of Washington and across the country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BLUMENTHAL. Madam President, I wish to thank the Senator from Washington State for her leadership on this issue and for her eloquent remarks just now, as well as other Senators who have championed this cause, as I have, over years when we have fought rising gasoline prices in the State of Connecticut relentlessly and tirelessly, and now I rise here in support of this legislation, the Close Big Oil Tax Loopholes Act, which would fundamentally restore fairness to our markets and tax system.

Over the last decades, the big five oil companies have taken home about \$1 trillion in profits while enjoying tens of billions of dollars in taxpayer subsidies, giveaways, sweetheart deals, and preferences which undermine the credibility of our tax system and our economy in the eyes of ordinary Americans. Ordinary Americans, in fact, are still struggling to make ends meet, to stay in their homes, to keep their families together, and to find jobs.

In Connecticut, the price of gasoline now has risen to more than \$4.25 a gallon from about \$3 just a year ago. There are a number of ways to combat the spiraling cost of gasoline, including going after some of the illegal manipulation and speculation that may be occurring. I have proposed some measures—for example, a Department of Justice investigation that for the first time would effectively and comprehensively pursue the traders and hedge funds that are at an alltime high in their energy positions.

But the ending of giveaways and subsidies is about the fairness of our economic system and our Tax Code. Our families and businesses in Connecticut are paying these higher costs for gasoline but at the same time are providing subsidies that are in no way needed for exploration or refining or any part of the business of these big five oil companies. They have made over \$30 billion in profits in the first quarter of this

year alone, representing a 50-percent increase in profit from last year. Big Oil doesn't need help from American taxpayers to make unprecedented profits. For better or worse, they know how to do it without corporate welfare, and we ought to end the corporate welfare that makes our job of cutting the deficit and reining in the debt and reducing the size of government all the more difficult.

This call ought to be an easy one. We have difficult choices ahead in cutting spending and perhaps increasing revenue, but this one should be easy for us. I hope it will attract bipartisan support because there is truly nothing partisan about this kind of corporate welfare.

Despite claims to the contrary, ending these subsidies will not increase prices at the pump. It will impose basic fairness because Americans will no longer pay out of pocket for these tax breaks and giveaways to some of the most profitable companies in the world. It will not add to prices at the pump.

In my home State of Connecticut and across the country, people are rightly concerned about reducing our debt and deficit, and we will make those difficult choices just as Americans are making difficult choices in tightening their belts and their budgets as they struggle to find jobs and make ends meet. But as resources remain scarce for some of our most vital programs, we can ill-afford this kind of corporate welfare.

I urge my colleagues to seize this moment, to cut these subsidies, and to protect the hard-earned dollars of American taxpayers. Taxpayers in Connecticut and throughout the country basically want fairness—shared sacrifice, truly shared sacrifice—and I urge my colleagues to demonstrate to the American people that we are serious about tackling unfair giveaways and to take this step toward restoring fairness.

Madam President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CHILDREN'S RESEARCH HOSPITALS

Mr. BROWN of Ohio. Madam President, I just met in a room near the Senate floor with doctors and others from three of America's great children's hospitals: Rainbow Children's Hospital in Cleveland, Nationwide Children's Hospital in Columbus, and Cincinnati Children's Hospital. I think Ohio leads the Nation in the number of children's hospitals and, frankly, I think the quality of children's hospitals.

There are so much we need to do—I know the Presiding Officer from North Carolina sits on the Health, Education, Labor, and Pensions Committee and has had an interest in this—where we don't quite focus enough attention on children's health. In the past, when we did research in this country—and we are only now beginning to change this—we used to think about children as just small adults, and if you needed X milligrams in a prescription for a 150-pound adult, for a 30-pound child you gave them one-fifth as much. We now realize that is not the way we should do research or practice medicine. So we have seen a lot of progress, and much of that comes from the activism, if you will, of doctors and nurses and administrators at Nationwide Children's in Columbus, Cincinnati Children's, and Rainbow Children's in Cleveland, affiliated with the University Hospital.

We have been able, through a long-time program—about a dozen years old now—to do something called children's gradual medical education in training pediatricians. We have also seen it find its way into making pharmaceuticals—something called 340B—and getting pharmaceuticals, particularly for orphan drugs and rare diseases, to children's hospitals, which helps many small children in this country.

We are also working on legislation—and Kit Bond, the Republican Senator from Missouri who retired in January, and I worked on this—to really focus on pediatric research and designate a handful of children's hospitals—maybe 15 or 20—around the country, some of the best research hospitals, to get them more focused on children's research because even though we have done better, we are not doing well enough, and this is an opportunity to do that.

So I wanted to share on the floor with my colleagues the importance of this legislation, the importance of that focus on children's hospitals, the importance of training pediatricians, and the importance of children's hospitals overall to our Nation's health, especially as regards the future of our Nation and our children.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

#### FIXING THE DEFICIT

Mr. SANDERS. Madam President, everybody knows this country faces a major deficit crisis and we have a national debt of over \$14 trillion. What has not been widely discussed, however, is how we got into this situation in the first place. A huge deficit and huge national debt did not happen by accident. It did not happen overnight. It happened, in fact, as a result of a number of policy decisions made in recent years and votes that were cast right here on the floor of the Senate and in the House.

Let's never forget, as we talk about the deficit situation, that in the year

2000, when President Clinton left office, this country had an annual Federal budget surplus—let me underline that, a surplus—of over \$200 billion with projected budget surpluses as far as the eye could see. That was when Clinton left office.

What has happened in the ensuing years? How did we go from huge projected surpluses into horrendous debt? The answer, frankly, is not complicated. The CBO has documented it. There was an interesting article on the front page of the Washington Post on April 30, a few weeks ago, talking about it as well. Here is what happened. It is not complicated.

When we spend over \$1 trillion on wars in Afghanistan and Iraq and we forget to pay for those wars, we run up a deficit. When we provide over \$700 billion in tax breaks to the wealthiest people in this country and we forget to pay for those tax breaks, we run up a deficit. When we pass a Medicare Part D prescription drug program written by the drug companies and the insurance companies that does not allow Medicare to negotiate prescription drug prices and ends up costing us far more than it should—\$400 billion over a 10-year period—and we don't pay for that, we run up the deficit. If we more than double military spending since 1997, excluding the wars in Afghanistan and Iraq, and we don't pay for that, we drive up the deficit.

Yesterday, my good friend from Alabama, Senator JEFF SESSIONS—and he is a good friend—came to the floor and suggested that Senator BERNIE SANDERS was one of those big government types. I would say to my friend, Senator SESSIONS, and all of those others who are now wanting to make savage cuts in programs for working families, the elderly, the sick, and the poor: Guess what. I am the deficit hawk. You guys are the big spenders.

This Senator, when he was in the House, did not vote for the war in Iraq which will end up costing us some \$3 trillion by the time we take care of our last veteran. I did not vote for that. Senator SESSIONS did vote for that.

I did not vote for the huge tax breaks for the richest people in this country—no, no. I am the deficit hawk. My Republican friends, in every instance, voted for those huge tax breaks.

I did not vote for the Medicare prescription drug program, \$400 billion over 10 years. I am the deficit hawk. The big spenders on the other side said we could spend that money and not pay for it.

My point is, I am not sympathetic to being lectured about deficits by the same people who caused this crisis and who, on legislation after legislation, voted to significantly increase the deficit and forgot about paying for it—just put it on the credit cards for our children and grandchildren. So, please, don't lecture me on deficit spending.

My Republican friends have come up with an interesting idea as to how we can deal with this crisis, with the def-

icit crisis. In the House of Representatives, they voted, I believe, unanimously, for the so-called Ryan budget.

What they said is, at a time when the middle class is collapsing, poverty is increasing, unemployment is sky high as a result of this terrible recession, they think the best way to deal with the deficit and the national debt is to make savage cuts in health care; that is, to do away with Medicare as we know it today, convert it into a voucher program, massive cuts in Medicaid. So at a time when 50 million Americans have no health insurance, that number will go up. I am not quite sure what people do if they get sick and lose their health insurance. I don't know what they will do. I don't know how many more people will die if we slash Medicaid and throw millions of people off of that program.

Their brilliant idea of how to move toward deficit reduction is to make major cuts in education, Pell grants. All over this country middle-class families, working-class families are struggling to be able to send their kids to college, and Pell grants are an important part of how they do it. Cut it, so large numbers of young people never get the chance then to go to college.

Nutrition, cutting back on food stamps, on the Women, Infants, Children Nutrition Program. People in America are hungry. Cut back on those programs. Housing, cut back on those programs. Head Start, giving low-income kids an opportunity to do well—cut back on those programs. Childcare—you name it, they are going to cut back on it.

The deficit is caused by unpaid-for wars, tax breaks for the rich, the Medicare Part D prescription drug program, the bailout of Wall Street, a declining economy, and less revenue coming in. Their solution is to balance the budget on the backs of the sick, the elderly, the children, the poor, to cut back on environmental protection, to cut back on transportation. It is an interesting idea. I think it is a pretty dumb idea myself.

But inherent in that whole approach is another factor. In the United States today, while the middle class is disappearing and poverty is increasing, there is another economic reality; that is, the wealthiest people in this country have never had it so good. Over a recent 25-year period, from 1980 to 2005, 80 percent of all new income went to the top 1 percent. The top 1 percent now earn 23 percent of all income in America, more than the bottom 50 percent.

Today, if you can believe it, the top 400 individuals in America now own more wealth than the bottom 150 million Americans, the bottom half of America. Four hundred people own more wealth than the bottom 150 million Americans.

Interestingly enough, at a time when the rich are becoming richer, when the effective tax rates for the wealthiest people, at 16.6 percent, are the lowest

on record, at a time when the wealthiest people have received hundreds of billions of dollars in tax breaks, at a time when corporate profits are at an all-time high and major corporations making billions of dollars pay nothing in taxes, my Republican colleagues, in their approach toward deficit reduction, do not ask the wealthiest people or the largest corporations to contribute one penny more for deficit reduction.

Their idea of moving toward a balanced budget is to go after the middle-class, working families, low-income people, but make sure the millionaires and billionaires and largest corporations in this country who are doing phenomenally well, that they do not have to participate in shared sacrifice. They are protected. This is the Robin Hood philosophy in reverse. This is taking from the poor and giving to the rich.

Many viewers may not believe me, and I ask them to check it out; that in the midst of all of this—huge deficit, huge national debt, the Republican proposal to slash programs that working families, middle-class people desperately need—in the middle of all this, our Republican friends have another brilliant idea. Let's give \$1 trillion in tax breaks to the very wealthiest people in this country. We are going to throw millions off of Medicaid, we are going to cut back on Pell grants, we are going to make savage cuts in nutrition programs, and whether we get all of those savings, \$1 trillion in savings, do you know what we are going to do with it? We are going to give it to the richest people in this country. We are going to lower the tax rate, the personal income tax rate for the rich from 35 to 25 percent.

At a time when major corporations such as General Electric and ExxonMobil make billions of dollars in profit, pay nothing in Federal income taxes, do you know what we are going to do to them? We are going to give them even more tax breaks.

The President has recently come up with an approach toward deficit reduction which is certainly a lot better than the Republican approach, but to my mind is by no means as strong as it should be. I was disturbed, not happy, to hear that his approach calls for \$2 in spending cuts and only \$1 in additional revenue. So at a time of significant, severe recession, millions of people are hurting, the President is calling for \$2 in cuts in spending but only \$1 in additional revenue. I think that is a bad idea. I think that is an inadequate idea because if the President starts at that position, \$2 in spending cuts, \$1 in revenue, by the time we deal with the Republicans in the House, that number is going to go up and will probably end up 3 or 4 to 1 in terms of spending cuts.

Senator KENT CONRAD, chairman of the Budget Committee in the Senate, has done a better job. He has not gone anywhere near as far as I think he should go but has at least come up

with a budget that I think most Americans think is sensible, by saying at the very least let's have \$1 of spending cuts and \$1 of additional revenue. Let's at least have shared sacrifice. Let's not balance the budget on the backs of the weak and vulnerable.

My office put together a list of ideas that are out there as to how we can raise revenue in a fair and progressive manner. I want to touch on them for a second.

No. 1, I want everybody to hear this: If we imposed a 5.4 percent surtax on millionaires who have been doing phenomenally well, over a 10-year period we can raise \$383 billion. What do you think? We can throw millions of people off of Medicaid, we can end nutrition programs for low-income kids, or we can ask the wealthiest people to pay a little bit more. The cause of this recession we are in right now has to do with the greed, the recklessness, and illegal behavior on Wall Street. The crooks on Wall Street who made huge sums of money ended up driving this country into a terrible recession. If we passed a speculation fee, a fee on Wall Street speculators, we could raise as much as \$100 billion a year, and, by the way, have the added benefit of cutting back on speculation.

We could raise more than \$580 billion over 10 years by erasing tax breaks for companies that ship jobs overseas. Right now we have a tax policy that says shut down a plant in America, go to China, and guess what. They are going to get a tax break. I think that doesn't make a whole lot of sense.

The estate tax—which my Republican friends refer to as the so-called death tax—only applies to the top three-tenths of 1 percent, the very wealthiest people in this country. Instead of lowering the estate tax, as we recently did, we could raise \$330 billion over 10 years by establishing a responsible estate tax that asks the top three-tenths of 1 percent of Americans who inherit over \$3.5 million in wealth to pay a fair estate tax.

We do raise \$736 billion over 10 years by taxing capital gains and dividends as ordinary income. Warren Buffett, one of the wealthiest people in the world, has said he pays a lower Federal tax rate than his secretary, than do nurses and police officers and teachers, because most of his income and most of the income of very wealthy people is generated by capital gains. Our provision could correct that problem—taxing capital gains and dividends as ordinary income.

We could raise \$40 billion over the next 10 years by ending tax breaks and subsidies for Big Oil and gas. I do understand there is legislation going to be coming to the floor which I strongly support. It doesn't go as far as I would go, but it basically says the top five oil companies that have made billions of dollars in profits and are now charging us \$4 a gallon—prices are soaring despite the fact that supply today is greater than it was a year ago and de-

mand is less—that maybe we do away with some of the tax breaks they have enjoyed.

And \$40 billion over 10 years is what I would propose we can get. We can raise \$100 billion a year by prohibiting abusive and illegal offshore tax shelters. The Senate Budget Committee has a photograph of a building in the Cayman Islands. It is an infamous building. It is a four-story building that houses 18,000 corporations. That is right. One building, 18,000 corporations. Obviously the whole thing is a scam. This is being used as a postal address for corporations and wealthy individuals who want to avoid paying taxes to the U.S. Government.

The Budget Committee estimates that we are losing about \$100 billion a year by having corporations and wealthy people stash their money in the Cayman Islands. That is a lot of money, \$100 billion a year. We could raise up to \$500 billion over 10 years by establishing a currency manipulation fee, and, by the way, create up to 1 million new jobs in the process.

So what is my point? My point is this deficit was caused by actions voted upon by many of my Republican friends: the war, tax breaks for the rich, Medicare Part D, that in the middle of a recession when the middle class and working families are already hurting, when poverty is increasing. It is not only immoral, it is bad economics to balance the budget on working families and the most vulnerable people in this country.

When people are hurting, when they have lost their jobs, when their incomes are going down, you do not say to those people: We are throwing you off of Medicaid. We are going to "voucherize" Medicare, we are going to cut back on Federal aid to education so your kid cannot go to college. That is not what you say in a humane and fair society.

On the other hand, at the same time when the wealthiest people are becoming phenomenally wealthier, and when large corporations are making huge profits, and in many cases not paying any taxes at all, it is appropriate to say to those people: Sorry, you are also American. You have got to participate in shared sacrifice. You have also got to help us reduce the deficit.

That is where we are right now. We are in the midst of a major debate, but it is not only on financial issues. It is very much a philosophical debate. It is a debate about which side are you on. Do you continue to give tax breaks to the very rich and make savage cuts for working families, for children, the elderly, the poor, the most vulnerable?

I am going to continue doing everything I can to make sure the budget that is finally passed here in the Senate is a fair budget, is a responsible budget, is a just budget.

I yield the floor.

THE PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, first I want to give kudos and accom-

pliments to my friend and colleague and fellow Madisonian—Madison High School in Brooklyn, NY, that is—BERNIE SANDERS. I have rarely met, not just here in the Senate but in public life, people who display the passion and the effectiveness combined that BERNIE does. Sometimes it is a lonely world for him in a certain sense, because he feels these issues so strongly. He is so outstanding at articulating them in every way. And he wonders why the world does not change a little more. Well, BERNIE, in terms of this world, which changes slowly, unfortunately, we would agree with that, you have done a great deal of good for people who need help. I am glad you are here, and I am glad you are my friend.

#### CLOSE BIG OIL TAX LOOPHOLES ACT

Mr. SCHUMER. I rise today in support of the legislation authored by my good friend from New Jersey, Senator MENENDEZ. As you know, the Democrats here on our side of the aisle are focusing on this legislation this week and next. But Senator MENENDEZ has been championing this legislation for quite a while. He was prescient to focus on this idea. I am glad we will have a vote on it. I hope the vote will pass. I have heard a few of our Republican colleagues now have said they would consider voting for it. Nothing would be better in terms of showing some bipartisanship and giving us some hope that we can come to a fair agreement on the budget than to pass this legislation.

In the last election, voters who gave those of us who have the privilege of serving in this Chamber two distinct mandates. They told us to do two things at once. First, perhaps foremost, make the economy grow. Create good-paying jobs. Make sure that American dream burns brightly, the dream that says to the average middle-class family: The odds are pretty good that you will be doing better 10 years from now than you are doing today, and the odds are very good that your kids will do better than you.

For that dream, which has burned so brightly in this country for hundreds of years, the candle began to flicker a little bit in this decade, because median income went down even before the recession, which meant that even if you had a job—and we know that millions are out of work despite the fact that they look—I think of all of the people whom I have met who are struggling because they do not have jobs. But even people who do have work have a difficult time when they sit down at that dinner table Friday night after dinner, figuring out how they are going to pay the bills. The cost and needs keep going up. And even when you have a job, the income does not seem to keep up.

So that is one obligation voters sent us, and it is a very justified one. Second, they said in no uncertain terms,